



Early Planning Grant (EPG) Application Manual

Prepared by:
Wisconsin Department of Commerce
Bureau of Business Finance
201 West Washington Avenue
P.O. Box 7970
Madison, WI 53707

1-800-435-7287

**Revised
January 2002**

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INTRODUCTION

The Early Planning Grant (EPG) program is designed to help individual entrepreneurs and small businesses throughout Wisconsin obtain the professional services necessary to evaluate the feasibility of a proposed start up or expansion. Under the EPG program, Commerce can provide applicants with a grant to help cover a portion of the cost of hiring a qualified, independent third party to develop a comprehensive business plan.

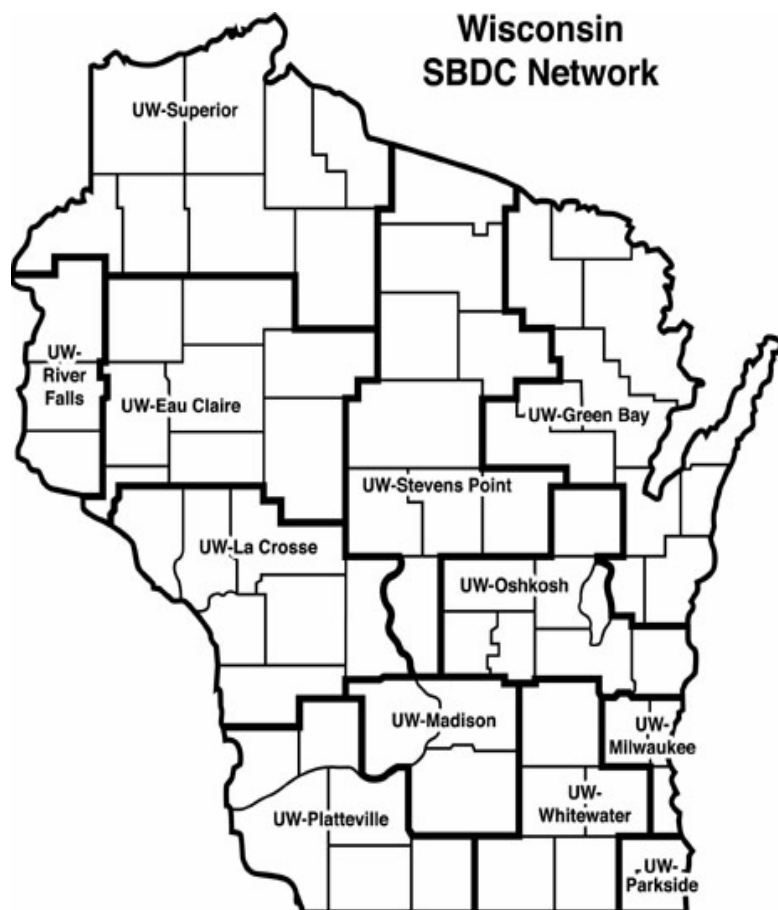
In addition to the **Early Planning Grant (EPG)** program, Commerce has also partnered with the Small Business Development Center (SBDC) to develop the **Entrepreneurial Training Grant (ETG)** program. This program is designed to help individual entrepreneurs and small businesses throughout Wisconsin attend courses to develop a plan to evaluate the feasibility of a proposed start-up or expansion of a business. Under the ETG program, Commerce can provide applicants with a grant to help cover a portion of the cost of attending SBDC's Entrepreneurial Training Course.

It is anticipated that after completing either the EPG or ETG program, entrepreneurs will have a comprehensive business plan that fully evaluates the feasibility of the proposed start up or expansion. If you would like more information on the Entrepreneurial Training Grant (ETG) program, please contact the SBDC office located in your area according to the map below:

It is anticipated that after completing either of these programs, entrepreneurs will have a comprehensive business plan that fully evaluates the feasibility of the proposed start up or expansion. In addition to formalizing an entrepreneur's goals and objectives, the business plan will be critical to the applicant's ability to attract the private financing necessary to implement the plan.

If you have any questions about the EPG application, please call 1-800-HELP BUS (1-800-435-7287).

If you would like more information on the Entrepreneurial Training Grant (ETG) program, please contact the SBDC office located in your area according to the map below:



UW-Eau Claire SBDC Phone: 715/836-5811

UW-Green Bay SBDC Phone: 920/465-9010

UW-La Crosse SBDC Phone: 608/785-8782

UW-Madison SBDC Phone: 608/263-7680

UW-Milwaukee SBDC Phone: 414/227-3240

UW-Oshkosh SBDC Phone: 800/232-8939

UW-Parkside SBDC:
Kenosha County Office Phone: 262/697-4525
Racine County Office Phone: 262/638-1713

UW-Platteville SBDC: Phone: 608/342-1038

UW-River Falls SBDC Phone: 715/425-0620

UW-Stevens Point SBDC Phone: 715/346-3838

UW-Superior SBDC Phone: 715/394-8351

UW-Whitewater SBDC Phone: 262/472-3217

State SBDC Office Phone: 608/263-7794

APPLICATION PROCESS

The Early Planning Grant (EPG) application process involves completing the application manual and submitting it to Commerce for review by a Business Finance Specialist. The Business Finance Specialist will underwrite the project and make a funding recommendation. The applicant will receive a decision in approximately 15 business days from Commerce's receipt of a **complete** application. **Incomplete applications will be withdrawn from consideration for funding.**

If the grant is approved, the applicant will enter into a contract with Commerce that details the terms and conditions of the award. The Business Plan must be completed and all funds must be disbursed within one year of the award date.

***COSTS INCURRED PRIOR TO THE DATE THE PROJECT IS APPROVED BY COMMERCE ARE NOT ELIGIBLE.**

SUMMARY INFORMATION

A. ELIGIBLE APPLICANTS

Eligible applicants include Wisconsin individuals, for-profit businesses, cooperatives and childcare centers that have fewer than 50 employees whose business will be in one of the following Industrial Clusters:

- Automation
- Agriculture/Food Products
- Biotechnology
- Information Technology
- Manufacturing
- Medical Devices
- Paper/Forest Products
- Printing
- Tourism
- Childcare (does not include in-home childcare)

Note: If you are looking for business planning assistance and are not in one of the above Industrial Clusters, Commerce may still be able to assist you through its partnership with the Small Business Development Center (SBDC) and the Entrepreneurial Training Grant (ETG) program. (See Introduction for details.)

C. ELIGIBLE PROJECT COSTS

Eligible Project Costs are limited to the professional services necessary to obtain a comprehensive business plan from a qualified, independent third party that is acceptable to Commerce.

Note: See the last page of this EPG application manual for an outline of a comprehensive business plan acceptable to Commerce.

D. INELIGIBLE PROJECT COSTS

Commerce recognizes that there are many types of professional services that are beneficial to businesses. However, given the limited funds available under the program, eligibility is limited to business planning activities. Following are some examples of project costs that are **not** eligible for EPG funding:

- Costs of applying for EPG assistance
- Legal costs associated with establishing or incorporating your business
- Architectural, engineering and design costs
- Business valuation and/or appraisal fees
- Loan application/origination fees
- Costs associated with implementing your plan
- Web site development
- Software purchase, installation or training

E. FUNDING AVAILABILITY/MATCH REQUIREMENT

The maximum funding available for Early Planning Grants is 75% of Eligible Project Costs up to \$3,000. Applicants will be required to provide a cash match of at least 25% of the Eligible Project Costs.

There is typically more demand for EPG funds than there are funds available. As a result, the application process is competitive and not all projects can be funded. Furthermore, while Commerce can provide up to 75% of Eligible Project Costs, the actual level of participation, if any, is determined by a process that utilizes the following underwriting criteria.

F. UNDERWRITING CRITERIA

- **Industrial Cluster**

Does the proposed business fall within one of the Industrial Clusters defined earlier?

- **Project Viability**

Does the applicant have at least 2 years of relevant work experience? Is the applicant's education and/or training relevant to the proposed business venture? Does the applicant have an acceptable credit history (i.e. no outstanding tax liens, collections, etc.)? Does the applicant have the cash equity (usually 20%) necessary to invest in the proposed business?

- **Other Factors**

Does the project serve a public purpose? How many jobs will be created/retained and what will be the wage rate and benefit package? Will the proposed business be located in a target area?

G. WHERE TO MAIL THE APPLICATION

Please mail your completed application to:

**Department of Commerce
Director of Business Finance
201 W. Washington Avenue
P.O. Box 7970
Madison, WI 53707-7970**

NOTE: INCOMPLETE APPLICATIONS WILL BE WITHDRAWN FROM CONSIDERATION FOR FUNDING.

**WISCONSIN DEPARTMENT OF COMMERCE
EARLY PLANNING GRANT (EPG) APPLICATION**

PROJECT DESCRIPTION

Please describe the proposed business venture including the products/services you will be providing. If an existing business, please provide the products/services currently offered and a description of the proposed expansion. Please mark the appropriate Industrial Cluster that the business will be/is in. (Must be in an Industrial Cluster to be eligible for EPG)

☐Automation ☐Agriculture/Food Products ☐Biotechnology ☐Information Technology ☐Manufacturing
☐Medical Devices ☐Paper/Forest Products ☐Printing ☐Tourism ☐Childcare (does not include in-home childcare)

PROJECT INFORMATION

☐ New Business ☐ Existing Business: Employer Identification Number: _____

Proposed Name of Business: _____ ☐ Undetermined at this time

OR

Legal Name of Existing Business (as registered with the IRS):

Proposed/Existing Legal Structure of the Business? ☐ C Corp ☐ S Corp ☐ LLC
☐ LLP ☐ Partnership ☐ Sole Proprietor

Women Owned? ☐ Yes ☐ No

Minority Owned? ☐ Yes ☐ No

If Yes, the Minority Classification is: ☐African American ☐Native Hawaiian ☐Hispanic ☐Eskimo
☐Native American ☐Aleut ☐Asian-Indian ☐Asian-Pacific

Owned by a Person with a Disability? ☐ Yes ☐ No

Name: ☐ Ms. or ☐ Mr.

FIRST: _____ M.I.: _____ LAST: _____

Street Address:

City, State, Zip: _____ County: _____

Tele. #:	Fax #:	Cell #:
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Web Page Address (if available): www. email:

INFORMATION ON THE BUSINESS (IF EXISTING)

Street Address:

City, State, Zip: _____ County: _____

Tel. #: _____ Fax #: _____

Date Co. Established:	Where Established:
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Total Co. Employment:	WI Employment:
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Current Number of Employees at the Business Address Identified Above:

Annual Sales:

List All Current WI Locations:

PROJECT BUDGET

Please list the professional services for which you are seeking funding, the provider of these and the total cost from this provider. Each line item below must be supported by a completed “Professional Services” form, which is found later in application.

PROFESSIONAL SERVICES:	PROFESSIONAL SERVICES PROVIDER: (i.e. Jane Doe’s Consulting Services, John Doe CPA)	COST:
		\$
		\$
		\$
		\$
		\$
		\$
TOTAL PROJECT BUDGET:		\$

OWNERSHIP INFORMATION*

***If you are not an existing business, please indicate the anticipated ownership structure of the business you are proposing.
If you are an existing business, please indicate what the company’s current ownership structure is.**

Name: (First, Middle Initial, Last)	Social Security #*	Ownership %
1.		
2.		
3.		
4.		
All Others:		
Total:		100%

***Social Security Numbers are needed to run a credit bureau report on all with 20% or more ownership.**

ANTICIPATED JOB INFORMATION

Commerce recognizes that the following information will not be known until the Business Plan is complete. However, for analytical purposes we are asking that you provide your best estimate based upon information currently available.

Avg. Hourly. Wage	Job Title	# of Full Time (FT) Positions	# of Part Time (PT) Positions	Do you anticipate providing health insurance?
\$				FT positions? <input type="checkbox"/> Yes <input type="checkbox"/> No PT positions? <input type="checkbox"/> Yes <input type="checkbox"/> No
\$				FT positions? <input type="checkbox"/> Yes <input type="checkbox"/> No PT positions? <input type="checkbox"/> Yes <input type="checkbox"/> No
\$				FT positions? <input type="checkbox"/> Yes <input type="checkbox"/> No PT positions? <input type="checkbox"/> Yes <input type="checkbox"/> No
\$				FT positions? <input type="checkbox"/> Yes <input type="checkbox"/> No PT positions? <input type="checkbox"/> Yes <input type="checkbox"/> No
\$				FT positions? <input type="checkbox"/> Yes <input type="checkbox"/> No PT positions? <input type="checkbox"/> Yes <input type="checkbox"/> No

If you do not have a current resume for EACH owner with 20% or more interest to submit, please complete the following. Make additional copies as necessary.

[illegible]

PERSONAL FINANCIAL STATEMENT

Please complete the following for EACH owner with 20% or more interest. Make additional copies as necessary.

Name: _____ Social Security Number: _____

Address: _____ Date of Birth: _____

City: _____ State: _____ Zip: _____ Phone: _____

ASSETS	VALUE:	LIABILITIES	BALANCE OWED:
Cash (Checking/Savings)	\$		
Automobiles		Auto Loan	\$
Residence Owned		Residential Real Estate Mortgage	
Personal Property/Household Goods		Credit Cards	
Vested Profit Sharing/Pension/IRA's		Other Liabilities: (list below)	
Stocks/Bonds			
Other Assets: (list below)			
TOTAL ASSETS	\$	TOTAL LIABILITIES	\$

INCOME:	CONTINGENT LIABILITIES:
Salaries/bonuses \$	Endorser/Co-maker/Guarantor \$
Dividends/interest	Legal Claims
Other:	Other:

LEGAL INFORMATION	
Has the applicant been involved in any lawsuits in the last 36 months?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Has the applicant ever been involved in any bankruptcy or insolvency proceedings?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Does the applicant have any outstanding tax liens?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Please provide an explanation of any YES responses.	

I hereby certify that to the best of my knowledge and belief, this represents a full and accurate disclosure of my assets and liabilities as of the date signed below.

Signature _____

Date _____

CERTIFICATION STATEMENT

THE APPLICANT:

1. Certifies that to the best of its knowledge and belief, the information being submitted to Commerce is true and correct.
2. Certifies that Commerce is authorized to obtain a credit check on the applicant and any business or individual that currently has an ownership interest (20% or more) in the applicant.
3. Understands that the EPG program is a competitive process and that not all applications are funded.
4. Understands that application materials will not be returned.
5. Understands that unless it qualifies as trade secret, all information submitted to Commerce is subject to Wisconsin's Open Records Law.

The applicant requests that Commerce treat the following items as TRADE SECRET:

	Yes	No	NA
A. Personal financial statements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B. Personal or business tax returns.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C. Historical business financial statements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
D. Business financial projections.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E. Plan or study to be funded by this application.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F. Other: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If Section 5 is left blank then all information provided to Commerce will be open to examination and copying.

Signature: _____ Date: _____
(Authorized Representative)

Name: _____ Title: _____
(Authorized Representative)

PROFESSIONAL SERVICES

Each item on the following Business Plan Components list must be included in your comprehensive business plan, with the exception of exhibits, which is optional. Therefore, your professional services contract(s) must cover all of the components identified below. This page should be **prepared and signed by each** of the individuals or firms that will be providing Professional Services, as identified in your Project Budget, to complete your business plan (i.e. consultant, accountant, etc.). Make additional copies of this page as necessary. All professional services must be provided by a qualified, independent third party that is acceptable to Commerce.

BUSINESS PLAN COMPONENTS	
Please check the professional services that you will be providing in this business plan.	
<input type="checkbox"/> EXECUTIVE SUMMARY	<input type="checkbox"/> OTHER
<input type="checkbox"/> DESCRIPTION OF THE COMPANY History Key Management and Roles Customers	Strategic Plan Objectives Timetables Risk Factors and Planned Responses Trademark, Patent, Copyright Issues Legal and Tax Contingencies
<input type="checkbox"/> MANAGEMENT AND OWNERSHIP List of Stockholders by Ownership List of Board Members	<input type="checkbox"/> FINANCIAL INFORMATION Budget Sources and Uses of Funds Historical Financial Statements-balance sheets, income statement, cash flow statement (annually for 3 years) Projected Financial Statements balance sheet, income statement, cash flow statement (annually for 3 years with a monthly breakout for the first twelve months) Detail of Assumptions Used for Projected Financial Statements
<input type="checkbox"/> MARKET Size and Trends Competitors Potential Customers Estimated Market Share Product and Pricing Strategy	<input type="checkbox"/> EXHIBITS (Optional) Articles from Trade Journals Pictures of Product(s), Advertising, Promotional and News Information Significant Contract Agreements
<input type="checkbox"/> PRODUCT OR SERVICE Description Proprietary Features	
<input type="checkbox"/> PRODUCTION AND OPERATIONS Location Advantages and Disadvantages Personnel Requirements Facility and Equipment Requirements	

I hereby certify that I will provide the Business Plan Components designated above in the information I prepare for the following applicant to the EPG program:

(Name Of Applicant)

(Signature of Professional Services Provider) Date: _____

(Printed Name of Professional Services Provider) Name of firm: _____

PROFESSIONAL SERVICES PROVIDER INFORMATION:

Name:	Title:
Company Name:	
Company Address:	
City, State, Zip:	
Tele. #:	Fax #:
E-mail Address:	
Year Company Established	
Have you previously prepared a Business Plan for any of Commerce's programs? <input type="checkbox"/> Yes <input type="checkbox"/> No	
IF YOU HAVE ANSWERED NO, YOU WILL NEED TO SUBMIT YOUR RESUME AND/OR BACKGROUND AND EXPERIENCE WRITING BUSINESS PLANS AND A SAMPLE BUSINESS PLAN TO COMMERCE FOR REVIEW BEFORE THIS APPLICATION CAN BE APPROVED.	
Please send these items along with a cover letter to: <div style="text-align: center;">Business Finance Director Bureau of Business Finance Wisconsin Department of Commerce 201 W. Washington Avenue Madison, WI 53707</div>	

ANTICIPATED TIMELINE FOR PREPARATION OF BUSINESS PLAN COMPONENTS:

Start Date:	End Date:
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ANTICIPATED BUDGET FOR PREPARATION OF BUSINESS PLAN COMPONENTS:

DESCRIPTION OF BUSINESS PLAN COMPONENT (i.e. financial projections, company history, etc.)	# OF HOURS	HOURLY RATE	COST
		\$	\$
TOTAL PROFESSIONAL SERVICES COST			\$

**INSTRUCTIONS FOR COMPLETING
TAXPAYER IDENTIFICATION NUMBER (TIN) VERIFICATION
(SUBSTITUTE W-9)**

(Found on the following page)

For all projects approved by Commerce, the following TAXPAYER IDENTIFICATION NUMBER (TIN) VERIFICATION/SUBSTITUTE W-9 form is used as a reference for issuing checks to Recipients. Commerce will file with the IRS appropriate income tax forms for award Recipients based on information that appears on this form. Failure to provide this information may result in delayed payments from the Early Planning Grant (EPG) program. This request is being made at the direction of the Wisconsin State Controller. We are required to inform you that failure to provide the correct Taxpayer Identification Number (TIN) / Name combination may subject you to a \$50 penalty assessed by the Internal Revenue Service under section 6723 of the Internal Revenue Code.

Legal Name As entered with IRS

Individuals: Enter Last Name, First Name, MI

Sole Proprietorships: Enter Last Name, First Name, MI

All Others: Enter Legal Name of Business

Only the name to which the Social Security Number you are submitting was assigned should be entered on the first line. The name of a partnership, corporation, club, or other entity, must be entered on the first line exactly as it was registered with the IRS when the Employer Identification Number was assigned.

Trade Name

Individuals: Leave Blank

Sole Proprietorships: Enter Business Name

All Others: Complete only if doing business as a D/B/A

Remit Address

Address where **payment** should be sent if different from primary address

Order Address (NOT APPLICABLE)

Primary Address

Address where 1099 should be sent if different from remit address

Entity Designation

Check *ONE* box which describes the type of business entity.

Taxpayer Identification Number

LIST ONLY ONE:

Social Security Number OR Employer Identification Number OR Individual Taxpayer Identification Number.

If you do not have a TIN, apply for one immediately. Individuals use federal form SS-05 which can be obtained from the Social Security Administration. Businesses and all other entities use federal form SS-04 which can be obtained from the Internal Revenue Service. DO NOT submit your name with a Tax Identification Number that was not assigned to your name.

Certification

The person signing this document should be a partner in the partnership, an officer of the corporation, the name of the individual listed or sole proprietor listed under legal name.

Privacy Act Notice

Section 6109 requires you to furnish your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, or contributions you made to an IRA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 31% of taxable interest, dividend, and certain other payments to a payee who does not furnish a TIN to a payer. Certain penalties may also apply.



Taxpayer Identification Number (TIN) Verification

Print or Type

Please see attachment or reverse for complete instructions.

This form can be made available in alternative formats to qualified individuals upon request.

<p>➤ Legal Name (as entered with IRS) If Sole Proprietorship enter your Last, First, MI</p> <p>➤ Trade Name If doing business as (D/B/A) or enter business name of Sole Proprietorship</p> <p>➤ Remit Address (where check should be mailed) PO Box or Number and Street, City, State, ZIP + 4</p> <p>➤ Order Address (where order should be mailed) PO Box or number and street, City, State, ZIP + 4</p> <p>➤ Primary Address (for return of 1099 form if different from remit address) PO Box or number and street, City, State, ZIP + 4</p>	<p>➤ Entity Designation (check only one) <u>Required</u></p> <p><input type="checkbox"/> Individual / Sole Proprietor</p> <p><input type="checkbox"/> Corporation (includes service corporations)</p> <p><input type="checkbox"/> Limited Liability Company – Partnership</p> <p><input type="checkbox"/> Limited Liability Company – Corporation</p> <p><input type="checkbox"/> Government Entity</p> <p><input type="checkbox"/> Hospital Exempt from Tax or Government Owned</p> <p><input type="checkbox"/> Long Term Care Facility Exempt from Tax or Government Owned</p> <p><input type="checkbox"/> All Other Entities</p> <p>➤ Taxpayer Identification Number (TIN) If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, using your EIN may result in unnecessary notices to the requester.</p> <p>_____</p> <p>Check Only One <u>Required</u></p> <p><input type="checkbox"/> Social Security Number (SSN)</p> <p><input type="checkbox"/> Employer Identification Number (EIN)</p> <p><input type="checkbox"/> Individual Taxpayer Identification Number for U.S. Resident Aliens (ITIN)</p>
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➤ **Certification**
Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number, AND
2. I am not subject to back up withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to back up withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding.
3. I am a U.S. person (including a US resident alien).

Printed Name	Printed Title	Telephone Number ()
Signature		Date (mm/dd/ccyy)

For Agency Use Only		
Agency Number	Contact	Phone Number
Change <input type="checkbox"/> Name <input type="checkbox"/> Address <input type="checkbox"/> Other (explain)		

Return this form to the address listed below.

Department of Commerce - Bureau of Business Finance
201 West Washington Avenue
P.O. Box 7970,
Madison, WI 53707

Forms may be returned by use
or FAX Number: ()

**WISCONSIN DEPARTMENT OF COMMERCE
COMPREHENSIVE BUSINESS PLAN OUTLINE**

- I. EXECUTIVE SUMMARY
- II. DESCRIPTION OF THE COMPANY
 - A. History
 - B. Key Management and Roles
 - C. Customers
- III. MANAGEMENT AND OWNERSHIP
 - A. List of Stockholders by Ownership
 - B. List of Board Members
- IV. PRODUCT OR SERVICE
 - A. Description
 - B. Proprietary Features
- V. MARKET
 - A. Size and Trends
 - B. Competitors
 - C. Potential Customers
 - D. Estimated Market Share
 - E. Product and Pricing Strategy
- VI. PRODUCTION AND OPERATIONS
 - A. Location Advantages and Disadvantages
 - B. Facility, Personnel, Equipment Requirements
- VII. OTHER
 - A. Strategic Plan Objectives
 - B. Timetables
 - C. Risk Factors and Planned Responses
 - D. Trademark, Patent, Copyright Issues
 - E. Legal and Tax Contingencies
- VIII. FINANCIAL INFORMATION
 - A. Budget
 - B. Sources and Uses of Funds
 - C. Historical Financial Statements: Balance Sheet, Profit and Loss, and Cash Flow Statements (annually for 3 years)
 - D. Projected Financial Statements: Balance Sheet, Profit and Loss, and Cash Flow Statements (annually for 3 years with a monthly breakout for the first twelve months)
 - E. Detail of Assumptions Used for Projected Financial Statements
- IX. EXHIBITS
 - A. Articles from Trade Journals
 - B. Pictures of Product(s), Advertising, Promotional and News Information
 - C. Significant Contract Agreements